

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7492

BILL NUMBER: HB 1544

DATE PREPARED: Jan 6, 1999

BILL AMENDED:

SUBJECT: Environmental liens in Tippecanoe County.

FISCAL ANALYST: Kristin Breen; Bob Sigalow

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill authorizes the Tippecanoe County Environmental Response Financing Board to impose an environmental lien on the site of the Tippecanoe County landfill to recover the costs incurred by Tippecanoe County taxpayers for the cleanup of the landfill.

Effective Date: January 1, 1999 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill authorizes the Tippecanoe County Environmental Response Financing Board to impose an environmental lien on the site of the Tippecanoe County landfill to recover the costs incurred by Tippecanoe County taxpayers for the cleanup of the landfill. It is estimated that the cleanup of the landfill may cost as much as \$17 million. If the landfill owner fails to reimburse the county for this expense, the ability to place a lien on the property may assist in the collections process.

If a lien is foreclosed on and the county seizes the property, the assessed valuation of the property would be removed from the tax roll until such time as the property is sold to another taxpayer. This causes a shift of the property tax burden from the former taxpayer on the subject property to all taxpayers in the form of an increased tax rate. Total local revenues, except for cumulative funds, would remain unchanged. The revenue for cumulative funds would be reduced by the product of the fund rate multiplied by the deduction amount applicable to that fund.

State Agencies Affected:

Local Agencies Affected: Tippecanoe County

Information Sources: Karen Arland, Ice Miller Donadio & Ryan, 236-2244.